Senator Curtis S. Bramble proposes the following substitute bill:

1	CONTACT LENS CONSUMER PROTECTION			
2	ACT			
3	2006 GENERAL SESSION			
4	STATE OF UTAH			
5	Chief Sponsor: Curtis S. Bramble			
6 7	House Sponsor: Jeff Alexander			
8	LONG TITLE			
9	General Description:			
10	This bill enacts the Contact Lens Consumer Protection Act within the Utah Optometry			
11	Practice Act in relation to prescribing, marketing, selling, and certifying contact lenses.			
12	Highlighted Provisions:			
13	This bill:			
14	defines "alternative channels of distribution," "brand," and "prescriber" for purposes			
15	of the Contact Lens Consumer Protection Act;			
16	 provides that a prescriber of contact lenses who prescribes a brand of contact lenses 			
17	to a patient, which brand is not certified by affidavit as being available in a			
18	commercially reasonable and nondiscriminatory manner to prescribers and $\hat{S} \rightarrow [directly]$			
19	to, and generally within, all] entities associated with prescribers and to $\leftarrow \hat{S}$ alternative channels			
19a	of distribution, may not also sell			
20	that brand to the same patient unless it is certified at the time of sale;			
21	 provides for exceptions to certification; 			
22	 provides for a listing of all brands of contact lenses that have been certified to be 			
23	made available to all prescribers;			
23a	\$→ provides for manufacturer's conduct; ←\$			
24	provides prohibitions; and			
25	 provides penalties for violations of the certification provisions 			



	1st Sub. (Green) S.B. 176	02-07-06 10:51 AM
26	Monies Appropriated in this Bill:	
27	None	
28	Other Special Clauses:	
29	None	
30	Utah Code Sections Affected:	
31	ENACTS:	
32	58-16a-901 , Utah Code Annotated 1953	
33	58-16a-902 , Utah Code Annotated 1953	
34	58-16a-903 , Utah Code Annotated 1953	
35	58-16a-904 , Utah Code Annotated 1953	
36	58-16a-905 , Utah Code Annotated 1953	
37	58-16a-906 , Utah Code Annotated 1953	
38	58-16a-907 , Utah Code Annotated 1953	
39	58-16a-908 , Utah Code Annotated 1953	
40	58-16a-909 , Utah Code Annotated 1953	
41 42	Be it enacted by the Legislature of the state of Utah:	
43	Section 1. Section 58-16a-901 is enacted to read:	
44	Part 9. Contact Lens Consumer Protection	Act
45	<u>58-16a-901.</u> Title.	
46	This part is known as the "Contact Lens Consumer Protection Ac	<u>t."</u>
47	Section 2. Section 58-16a-902 is enacted to read:	
48	<u>58-16a-902.</u> Policy.	
49	It is the policy of the state that citizens who wear contact lenses p	ursuant to valid
50	prescriptions should not be denied the opportunity to purchase their conta	act lenses from their
51	retailer of choice.	
52	Section 3. Section 58-16a-903 is enacted to read:	
53	<u>58-16a-903.</u> Definitions.	
54	As used in this part:	
55	(1) "Alternative channels of distribution" means $\hat{S} \rightarrow [a]$ any $\leftarrow \hat{S}$	mail order company,

retailer, pharmacy, buying club, department store, or mass merchandise outlet, without regard

- 2 -

55a

56

<u>Internet</u>

57	to whether it is associated with a prescriber $\$ \rightarrow$, unless the account meets the definition of a
57a	competitor as provided for in this section ←Ŝ .
58	(2) "Brand" means manufacturer's brand or equivalent brand of the same lens made by
59	the same manufacturer under federal law.
59a	\$→ (3) "Competitor " means an entity that manufactures contact lenses and wholesales
59b	those lenses in direct competition with any other manufacturer within the state.
60	[(3)] (4) ←\$ "Manufacturer" means a manufacturer, its parents, subsidiaries, affiliates,
61	successors, and assigns.
62	\$→ [(4)] (5) ←\$ "Prescriber" means an individual licensed or authorized to prescribe contact
62a	<u>lenses</u>
63	under this title.
64	Section 4. Section 58-16a-904 is enacted to read:
65	58-16a-904. Prescribing contact lenses Branding.
66	(1) A prescriber who prescribes to a patient a brand of contact lenses which is not
67	certified by affidavit under Section 58-16a-905, may not knowingly and intentionally then sell
68	that brand to the same patient or have a financial or legal relationship with any other person $\hat{S} \rightarrow \underline{or}$
68a	entity ←Ŝ
69	who sells the brand to the same patient.
70	(2) For purposes of this chapter, Subsection (1) does not apply to:
71	(a) rigid gas permeable lenses;
72	(b) bitoric gas permeable lenses;
73	(c) bifocal gas permeable lenses; and
74	(d) keratoconus lenses
74a	Ŝ→ (e) custom soft toric lenses that are manufactured for an individual patient and are not
74b	mass marketed or mass produced; and
74c	(f) custom designed lenses that are manufactured for an individual patient and are not
74d	mass marketed or mass produced $\leftarrow \hat{S}$.
75	(3) This section supercedes conflicting sections.
76	Section 5. Section 58-16a-905 is enacted to read:
77	58-16a-905. Certification of availability of contact lenses.
78	(1) Beginning June 1, 2006, a manufacturer of contact lenses doing business in the
79	state may certify by affidavit to the Attorney General those brands of contact lenses produced,
80	marketed, distributed, or sold by the manufacturer that are made available in a commercially
81	reasonable and nondiscriminatory manner to prescribers and entities associated with prescribers
82	and $\hat{S} \rightarrow [\underline{directly}] \leftarrow \hat{S}$ to $\hat{S} \rightarrow [\underline{and generally within, all}] \leftarrow \hat{S}$ alternative channels of distribution.
83	(2) If a manufacturer certifies its lenses under Subsection (1), it shall also file a copy of
84	the affidavit required under Subsection (1) with the \$→ [State Board of Optometry] Optometrist

1st Sub. (Green) S.B. 176

02-07-06 10:51 AM

- 84a <u>Licensing Board</u> ←\$ and the \$→ [State
 - 85 <u>Board of Medical Examiners</u>] Physicians Licensing Board **(*)** .
- 86 (3) Subsections (1) and (2) also apply any time a brand is made available.
- 87 (4) Any time a brand certified under Subsection (1) ceases to be made available after

88	June 1, 2006, the manufacturer shall immediately certify that fact by affidavit to:			
89	(a) the Attorney General;			
90	(b) the \$→ [State Board of Optometry] Optometrist Licensing Board ←\$; and			
91	(c) the \$→ [State Board of Examiners] Physicians Licensing Board ←\$.			
92	Section 6. Section 58-16a-906 is enacted to read:			
93	58-16a-906. Publication of list of certified lenses.			
94	(1) In order for a prescriber to determine which brands of contact lenses may be			
95	prescribed and sold to the same patient under this part, the \$→ [State Board of Optometry]			
95a	Optometrist Licensing Board +\$ and the			
96	\$→ [State Board of Medical Examiners] Physicians Licensing Board ←\$ shall make available to			
96a	all prescribers a listing of all brands			
97	of contact lenses certified under Section 58-16a-905.			
98	(2) A prescriber shall determine whether a brand of contact lenses is certified under			
99	Section 58-16a-905 prior to selling or facilitating the sale by another person with whom the			
100	prescriber has a financial or legal relationship of the brand of lenses to a patient to whom he			
101	prescribed that brand.			
102	Section 7. Section 58-16a-907 is enacted to read:			
103	58-16a-907. Manufacturers' conduct.			
104	(1) A manufacturer may exercise its independent business judgment to open or			
105	maintain an account with any seller of contact lenses as long as the manufacturer does not			
106	discriminate based on whether the \$→ [channel of trade] account ←\$ is directly or indirectly			
106a	affiliated with a			
107	prescriber.			
108	(2) Subject to the limitation of Subsection (1), nothing in Sections 58-16a-905 and			
109	58-16a-906 is intended to require a manufacturer to:			
110	(a) \$→ sell to a competitor;			
110a	(b) \leftarrow \$\hat{s}\$ sell contact lenses to different contact lens distributors or customers at the same			
111	price;			
112	$\hat{S} \rightarrow [\underline{(b)}]$ (c) $\leftarrow \hat{S}$ open or maintain any account for a contact lens seller found to be in			
112a	violation of			
113	applicable state and federal laws regarding the sale of contact lenses;			
114	$\hat{S} \rightarrow [\underline{(c)}] (\underline{d}) \leftarrow \hat{S}$ decide whether $\hat{S} \rightarrow [\underline{its}]$ a low volume $\leftarrow \hat{S}$ account with a contact lens			
114a	seller is a direct account or handled			
115	through a distributor; or			
116	\$→ [(d)] (e) ←\$ sell lenses that are being test marketed on a limited basis in one geographic			
116a	area to			
117	customers in all geographic areas.			
118	Section 8. Section 58-16a-908 is enacted to read:			

- 4 -

1st Sub. (Green) S.B. 176

02-07-06 10:51 AM

119	<u>58-16a-908.</u> Prohibitions.
120	(1) A person may not directly or indirectly provide or offer to provide to a prescriber as
121	an inducement to prescribe a brand of contact lenses a gift, gratuity, cash, or other item or
122	service of monetary value, including any action, commitment, or agreement, intended to have
123	or having the effect of prohibiting or otherwise inhibiting competition in the sale of contact
124	<u>lenses.</u>
125	(2) Subsection (1) does not apply to items or service of an educational nature or of de
126	minimus monetary value.
127	Section 9. Section 58-16a-909 is enacted to read:
128	58-16a-909. Penalties for violations.
129	(1) Knowingly and intentionally violating Section 58-16a-904 or Subsection
130	58-16a-906(2) is considered unprofessional conduct.
131	(2) (a) Making a wrongful certification under Section 58-16a-905 is a class A
132	misdemeanor.
133	(b) The attorney general may bring a civil action or seek an injunction and a civil
134	penalty against a person making a wrongful certification under Section 58-16a-905.

Fiscal Note Bill Number SB0176S01

Contact Lens Consumer Protection Act

13-Feb-06 12:53 PM

State Impact

It is estimated that provisions of this bill can be implemented with existing resources.

Individual and Business Impact

Entities in violation of the bill's provisions may be subject to civil financial penalties.

Office of the Legislative Fiscal Analyst